




To: Honorable Members of the House Natural Resources Committee

From: Charles Owens, State Director 

Date: March 16, 2006

Re: House Bills 4836 & 4837

We are writing to ask that you support House Bill 4836 and 4837; that would require municipalities to quantify the additional costs on housing, specifically, on new home construction, as a result of any rule, ordinance or regulation.

As one of the basic necessities, housing and shelter are an important component in determining the standard of living for many Michigan citizens. Too often the ability to afford adequate housing is negatively impacted by local rules and regulations. By requiring that these impacts be evaluated, local government officials, citizens and future home buyers may be better informed on the costs and benefits of imposing these regulations. Such analysis may highlight the unintended consequences of the regulation or rule in question and allow for a more informed decision.

This analysis would also be instructive to policymakers as to how much of the cost of housing is generated by economic factors such as material and labor cost, market demand, location considerations etc. and how much is the result of government rules and regulations.

We understand that the opponents of these bills, primarily municipalities, are concerned about the extra time and cost of conducting and making available the required analysis. That is disappointing when one considers that they do not seem to be as concerned over the extra time and effort citizens and business must put forth to comply with the rules and regulations they impose.

Municipalities and local governments must come to the realization that regulations are an impediment to economic development and job creation whether they emanate from the state or the local level. A sound analysis of the impacts of rules and regulations is the first step in responsible governance.

Thank you for supporting small business.